

Reprinted March 4, 1999

## **HOUSE BILL No. 1812**

DIGEST OF HB 1812 (Updated March 3, 1999 6:05 pm - DI 77)

Citations Affected: IC 16-18; IC 16-28; noncode.

Synopsis: Allows an allegation of breach at a health facility to be made orally or in writing. Requires the state department of health to investigate all oral allegations, not just oral allegations that the state department considers to have merit. Makes changes to the terminology and descriptions of the categories of a breach at a health facility. Increases the penalties for a breach at a health facility. Requires the state department of health to impose the balance of fines or costs assessed against a health facility against the licensee of the health facility if the health facility is unable to pay. Requires a health facility found to have committed a breach to comply with various notice requirements. Requires the state department of health to contract with an independent organization to operate an informal dispute resolution process. Establishes a interim study committee to study staffing and training levels of health facility employees and alternatives to investigations and resolution of complaints involving health facilities.

**Effective:** Upon passage; July 1, 1999.

# Day, Moses

January 26, 1999, read first time and referred to Committee on Public Health. February 24, 1999, amended, reported — Do Pass. March 3, 1999, read second time, amended, ordered engrossed.



First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 1998 General Assembly.

## **HOUSE BILL No. 1812**

A BILL FOR AN ACT to amend the Indiana Code concerning health.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 16-18-2-201.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 201.5. "Licensee", for purposes of IC 16-28-5, has the meaning set forth in IC 16-28-5-0.5.** 

SECTION 2. IC 16-28-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. A person who believes that this article or rules a rule adopted under this article have has been breached may file an allegation of breach with the state department. The allegation must may be made orally or in writing. unless the breach complained of is an offense or a deficiency. The state department shall reduce an oral allegation of breach shall be reduced to writing. by the state department.

SECTION 3. IC 16-28-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The division shall promptly investigate the following:

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| 1  | (1) A written each allegation of breach received under this             |
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| 2  | chapter.  |
| 3  | (2) An oral allegation of breach that the director, in the director's   |
| 4  | discretion, believes to have merit.                                     |
| 5  | SECTION 4. IC 16-28-5-0.5 IS ADDED TO THE INDIANA CODE                  |
| 6  | AS A <b>NEW</b> SECTION TO READ AS FOLLOWS [EFFECTIVE JULY              |
| 7  | 1, 1999]: Sec. 0.5. As used in this chapter, "licensee" means a         |
| 8  | person who holds a valid license issued under IC 16-28-2.               |
| 9  | SECTION 5. IC 16-28-5-1 IS AMENDED TO READ AS                           |
| 10 | FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. The executive board           |
| 11 | shall adopt rules under IC 4-22-2 to classify each rule adopted by the  |
| 12 | executive board to govern a health facility under this article define   |
| 13 | each level of breach as provided in subdivisions (1) through (4).       |
| 14 | The state survey inspectors shall, under this article and with the      |
| 15 | concurrence of the director, classify a breach into one (1) of the      |
| 16 | following categories:   |
| 17 | (1) An offense, which presents a substantial probability that death     |
| 18 | or a life-threatening condition will result. Level 4 - immediate        |
| 19 | jeopardy to patient health or safety (as described in 42 CFR            |
| 20 | 488.404).   |
| 21 | (2) A deficiency, which presents an immediate or a direct, serious      |
| 22 | adverse effect on the health, safety, security, rights, or welfare of   |
| 23 | a patient. Level 3 - actual harm (as described in 42 CFR                |
| 24 | 488.404).   |
| 25 | (3) A noncompliance, which presents an indirect threat to the           |
| 26 | health, safety, security, rights, or welfare of a patient. Level 2 - no |
| 27 | actual harm with potential for more than minimal harm (as               |
| 28 | described in 42 CFR 488.404).   |
| 29 | (4) A nonconformance, which is any other classified breach not          |
| 30 | covered by subdivision (1), (2), or (3). Level 1 - no actual harm       |
| 31 | with potential for minimal harm (as described in 42 CFR                 |
| 32 | 488.404).   |
| 33 | SECTION 6. IC 16-28-5-4.1 IS ADDED TO THE INDIANA CODE                  |
| 34 | AS A <b>NEW</b> SECTION TO READ AS FOLLOWS [EFFECTIVE JULY              |
| 35 | 1, 1999]: Sec. 4.1. (a) Except as provided by section 4.2 of this       |
| 36 | chapter, the commissioner shall enter orders for all of the following   |
| 37 | for a level 4 breach of this article:                                   |
| 38 | (1) An order for immediate correction.                                  |
| 39 | (2) An order imposing a fine of:  |
| 40 | (A) not less than ten thousand dollars (\$10,000); and                  |
| 41 | (B) not more than twenty thousand dollars (\$20,000).                   |
| 42 | (3) Suspension of new admissions to the health facility until           |



| 1  | the state department determines through an onsite inspection           |
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| 2  | of the health facility that the breach has been corrected.             |
| 3  | (4) Issuance of a probationary license.                                |
| 4  | (b) In addition to the mandatory orders under subsection (a),          |
| 5  | the commissioner may enter orders for one (1) or more of the           |
| 6  | following:   |
| 7  | (1) An order imposing a fine of not more than five thousand            |
| 8  | dollars (\$5,000) per day for each day of continued breach             |
| 9  | after the health facility is notified of the breach until the state    |
| 10 | department determines through an onsite inspection of the              |
| 11 | health facility that the breach has been corrected.                    |
| 12 | (2) At the expense of the health facility, one (1) or more of the      |
| 13 | following:   |
| 14 | (A) Placing a monitor in the health facility under                     |
| 15 | IC 16-28-7.  |
| 16 | (B) Requesting the attorney general to petition a court to             |
| 17 | place the health facility in receivership under IC 16-28-8.            |
| 18 | (c) If the licensee does not correct the breach after the issuance     |
| 19 | of orders under subsections (a) and (b), the commissioner may          |
| 20 | revoke the licensee's license.   |
| 21 | SECTION 7. IC 16-28-5-4.2 IS ADDED TO THE INDIANA CODE                 |
| 22 | AS A <b>NEW</b> SECTION TO READ AS FOLLOWS [EFFECTIVE JULY             |
| 23 | 1, 1999]: Sec. 4.2. (a) The commissioner shall enter orders for all of |
| 24 | the following for a level 4 breach of this article that occurs within  |
| 25 | fifteen (15) months after a previous level 4 breach:                   |
| 26 | (1) An order for immediate correction.                                 |
| 27 | (2) An order imposing a fine of:                                       |
| 28 | (A) not less than twenty thousand dollars (\$20,000); and              |
| 29 | (B) not more than forty thousand dollars (\$40,000).                   |
| 30 | (3) Suspension of new admissions to the health facility until          |
| 31 | the state department determines through an onsite inspection           |
| 32 | of the health facility that the breach has been corrected.             |
| 33 | (4) Issuance of a probationary license.                                |
| 34 | (b) In addition to the mandatory orders under subsection (a),          |
| 35 | the commissioner may enter orders for one (1) or more of the           |
| 36 | following:   |
| 37 | (1) An order imposing a fine of not more than five thousand            |
| 38 | dollars (\$5,000) per day for each day of continued breach             |
| 39 | after the health facility is notified of the breach until the state    |
| 40 | department determines through an onsite inspection of the              |
| 41 | health facility that the breach has been corrected.                    |
| 42 | (2) At the expense of the health facility, one (1) or more of the      |



| 1  | following:   |
|----|--|
| 2  | (A) Placing a monitor in the health facility under                     |
| 3  | IC 16-28-7.  |
| 4  | (B) Requesting the attorney general to petition a court to             |
| 5  | place the health facility in receivership under IC 16-28-8.            |
| 6  | (c) If the licensee does not correct the breach after the issuance     |
| 7  | of orders under subsections (a) and (b), the commissioner may          |
| 8  | revoke the licensee's license.   |
| 9  | SECTION 8. IC 16-28-5-4.3 IS ADDED TO THE INDIANA CODE                 |
| 10 | AS A <b>NEW</b> SECTION TO READ AS FOLLOWS [EFFECTIVE JULY             |
| 11 | 1, 1999]: Sec. 4.3. (a) Except as provided by section 4.4 of this      |
| 12 | chapter, the commissioner shall enter orders for all of the following  |
| 13 | for a level 3 breach of this article:                                  |
| 14 | (1) An order for immediate correction.                                 |
| 15 | (2) An order imposing a fine of:                                       |
| 16 | (A) not less than five thousand dollars (\$5,000); and                 |
| 17 | (B) not more than ten thousand dollars (\$10,000).                     |
| 18 | (b) In addition to the mandatory orders under subsection (a),          |
| 19 | the commissioner may enter orders for one (1) or more of the           |
| 20 | following:   |
| 21 | (1) Issuance of a probationary license.                                |
| 22 | (2) An order imposing a fine of not more than three thousand           |
| 23 | dollars (\$3,000) per day for each day of continued breach. A          |
| 24 | fine under this subdivision may not be imposed until at least          |
| 25 | forty-eight $(48)$ hours after the health facility is notified of the  |
| 26 | breach by the state department and may continue until the              |
| 27 | state department determines through an onsite inspection of            |
| 28 | the health facility that the breach has been corrected.                |
| 29 | (3) Suspension of new admissions to the health facility until          |
| 30 | the state department determines through an onsite inspection           |
| 31 | of the health facility that the breach has been corrected.             |
| 32 | (4) At the expense of the health facility, one (1) or more of the      |
| 33 | following:   |
| 34 | (A) Placing a monitor in the health facility under                     |
| 35 | IC 16-28-7.  |
| 36 | (B) Requesting the attorney general to petition a court to             |
| 37 | place the health facility in receivership under IC 16-28-8.            |
| 38 | SECTION 9. IC 16-28-5-4.4 IS ADDED TO THE INDIANA CODE                 |
| 39 | AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY                    |
| 40 | 1, 1999]: Sec. 4.4. (a) The commissioner shall enter orders for all of |
| 41 | the following for a level 3 breach of this article that occurs within  |
| 42 | fifteen (15) months after a previous level 3 breach:                   |



| 1  | (1) An order for immediate correction.                               |
|----|--|
| 2  | (2) An order imposing a fine of:                                     |
| 3  | (A) not less than ten thousand dollars (\$10,000); and               |
| 4  | (B) not more than twenty thousand dollars (\$20,000).                |
| 5  | (3) Issuance of a probationary license.                              |
| 6  | (b) In addition to the mandatory orders under subsection (a),        |
| 7  | the commissioner may enter orders for one (1) or more of the         |
| 8  | following:   |
| 9  | (1) An order imposing a fine of not more than three thousand         |
| 10 | dollars (\$3,000) per day for each day of continued breach           |
| 11 | after the health facility is notified of the breach until the state  |
| 12 | department determines through an onsite inspection of the            |
| 13 | health facility that the breach has been corrected.                  |
| 14 | (2) Suspension of new admissions to the health facility until        |
| 15 | the state department determines through an onsite inspection         |
| 16 | of the health facility that the breach has been corrected.           |
| 17 | (3) At the expense of the health facility, one (1) or more of the    |
| 18 | following:   |
| 19 | (A) Placing a monitor in the health facility under                   |
| 20 | IC 16-28-7.  |
| 21 | (B) Requesting the attorney general to petition a court to           |
| 22 | place the health facility in receivership under IC 16-28-8.          |
| 23 | (c) If the licensee does not correct the breach after the issuance   |
| 24 | of orders under subsections (a) and (b), the commissioner may        |
| 25 | revoke the licensee's license.                                       |
| 26 | SECTION 10. IC 16-28-5-4.5 IS ADDED TO THE INDIANA                   |
| 27 | CODE AS A <b>NEW</b> SECTION TO READ AS FOLLOWS                      |
| 28 | [EFFECTIVE JULY 1, 1999]: Sec. 4.5. (a) Except as provided by        |
| 29 | section 4.6 of this chapter, the commissioner shall enter orders for |
| 30 | all of the following for a level 2 breach of this article:           |
| 31 | (1) An order for immediate correction.                               |
| 32 | (2) An order imposing a fine of:                                     |
| 33 | (A) not less than one thousand dollars (\$1,000); and                |
| 34 | (B) not more than five thousand dollars (\$5,000).                   |
| 35 | (b) In addition to the mandatory orders under subsection (a),        |
| 36 | the commissioner may enter an order suspending new admissions        |
| 37 | to the health facility until the state department determines through |
| 38 | an onsite inspection of the health facility that the breach has been |
| 39 | corrected.   |
| 40 | SECTION 11. IC 16-28-5-4.6 IS ADDED TO THE INDIANA                   |
| 41 | CODE AS A <b>NEW</b> SECTION TO READ AS FOLLOWS                      |

[EFFECTIVE JULY 1, 1999]: Sec. 4.6. (a) The commissioner shall



| 1  | enter orders for all of the following for a level 2 breach of this    |
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| 2  | article that occurs within fifteen (15) months after a previous level |
| 3  | 2 breach:   |
| 4  | (1) An order for immediate correction.                                |
| 5  | (2) An order imposing a fine of:                                      |
| 6  | (A) not less than five thousand dollars (\$5,000); and                |
| 7  | (B) not more than ten thousand dollars (\$10,000).                    |
| 8  | (b) In addition to the mandatory orders under subsection (a),         |
| 9  | the commissioner may enter orders for one (1) or more of the          |
| 10 | following:  |
| 11 | (1) An order imposing a fine of not more than one thousand            |
| 12 | dollars (\$1,000) per day for each day of continued breach            |
| 13 | after the health facility is notified of the breach, until the state  |
| 14 | department determines through an onsite inspection of the             |
| 15 | health facility that the breach has been corrected.                   |
| 16 | (2) An order suspending new admissions to the health facility         |
| 17 | until the state department determines through an onsite               |
| 18 | inspection of the health facility that the breach has been            |
| 19 | corrected.  |
| 20 | SECTION 12. IC 16-28-5-4.7 IS ADDED TO THE INDIANA                    |
| 21 | CODE AS A <b>NEW</b> SECTION TO READ AS FOLLOWS                       |
| 22 | [EFFECTIVE JULY 1, 1999]: Sec. 4.7. (a) Except as provided by         |
| 23 | section 4.8 of this chapter, the commissioner shall order the health  |
| 24 | facility to comply with a plan of correction approved or directed     |
| 25 | under section 7 of this chapter for a level 1 breach of this article. |
| 26 | (b) In addition to the mandatory order under subsection (a), the      |
| 27 | commissioner may enter an order suspending new admissions to          |
| 28 | the health facility until the state department determines through an  |
| 29 | onsite inspection of the health facility that the breach has been     |
| 30 | corrected.  |
| 31 | SECTION 13. IC 16-28-5-4.8 IS ADDED TO THE INDIANA                    |
| 32 | CODE AS A <b>NEW</b> SECTION TO READ AS FOLLOWS                       |
| 33 | [EFFECTIVE JULY 1, 1999]: Sec. 4.8. (a) The commissioner shall        |
| 34 | order the health facility to comply with a plan of correction         |
| 35 | approved or directed under section 7 of this chapter for a level 1    |
| 36 | breach of this article that occurs within fifteen (15) months after a |
| 37 | previous level 1 breach.  |
| 38 | (b) In addition to the mandatory order under subsection (a), the      |
| 39 | commissioner may enter an order for one (1) or more of the            |
| 40 | following:  |
| 41 | (1) Imposition of a fine of not more than one thousand dollars        |



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**(\$1,000).** 

| 1  | (2) An order suspending new admissions to the health facility         |
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| 2  | until the state department determines through an onsite               |
| 3  | inspection of the health facility that the breach has been            |
| 4  | corrected.  |
| 5  | SECTION 14. IC 16-28-5-4.9 IS ADDED TO THE INDIANA                    |
| 6  | CODE AS A <b>NEW</b> SECTION TO READ AS FOLLOWS                       |
| 7  | [EFFECTIVE JULY 1, 1999]: Sec. 4.9. The commissioner, with the        |
| 8  | concurrence of a licensed physician, shall enter the following        |
| 9  | against a health facility for an omission of care or an act that does |
| 10 | not fall within a rule:   |
| 11 | (1) For an omission of care or an act that the health facility        |
| 12 | should reasonably have known would present a substantial              |
| 13 | probability that death or a life threatening condition would          |
| 14 | result, the orders under section 4.1 of this chapter.                 |
| 15 | (2) For an omission of care or an act that the health facility        |
| 16 | should reasonably have known would result in an immediate             |
| 17 | or a direct, serious adverse effect on the health, safety,            |
| 18 | security, rights, or welfare of a patient, the orders under           |
| 19 | section 4.3 of this chapter.  |
| 20 | SECTION 15. IC 16-28-5-5 IS AMENDED TO READ AS                        |
| 21 | FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) In determining          |
| 22 | appropriate remedies or waivers under section 4 sections 4.1 through  |
| 23 | 4.9 of this chapter (or IC 16-28-5-4 before its repeal), the          |
| 24 | commissioner shall consider the following:                            |
| 25 | (1) Whether the breach occurred for reasons outside of the health     |
| 26 | facility's control.   |
| 27 | (2) Whether the health facility has demonstrated that the health      |
| 28 | facility has taken the appropriate steps to reasonably ensure that    |
| 29 | the breach will not recur.  |
| 30 | (3) The history of breaches by the health facility.                   |
| 31 | (4) The effect of the breach on the patient,                          |
| 32 | (b) If the health facility furnishes sufficient relevant financial    |
| 33 | information, the commissioner may consider the following in           |
| 34 | determining appropriate remedies or waivers under section 5 of this   |
| 35 | <del>chapter:</del>   |
| 36 | (1) Whether any financial savings or benefit accrued to the health    |
| 37 | facility as a result of the breach.                                   |
| 38 | (2) The cost incurred by the health facility in correcting the        |
| 39 | <del>breach.</del>  |
| 40 | including the actual or potential physical or psychosocial            |
| 41 | harm.   |

(5) The history of breaches by other health facilities:



| 1  | (A) owned by the same person who owns the health                          |
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| 2  | facility; or  |
| 3  | (B) operated by the same person who operates the health                   |
| 4  | facility.   |
| 5  | (6) The number of patients actually or potentially affected by            |
| 6  | the breach.   |
| 7  | SECTION 16. IC 16-28-5-5.3 IS ADDED TO THE INDIANA                        |
| 8  | CODE AS A <b>NEW</b> SECTION TO READ AS FOLLOWS                           |
| 9  | [EFFECTIVE JULY 1, 1999]: Sec. 5.3. (a) Nothing in this chapter           |
| 10 | limits the authority of the commissioner to impose a fine or              |
| 11 | suspend new admissions to a health facility for each omission of          |
| 12 | care or act or repeat of an omission or act.                              |
| 13 | (b) The commissioner may renew an order suspending                        |
| 14 | admissions issued under this chapter for successive periods.              |
| 15 | However, the suspension of new admissions to a health facility            |
| 16 | under a renewed order may not exceed ninety (90) consecutive              |
| 17 | days.   |
| 18 | SECTION 17. IC 16-28-5-5.5 IS ADDED TO THE INDIANA                        |
| 19 | CODE AS A <b>NEW</b> SECTION TO READ AS FOLLOWS                           |
| 20 | [EFFECTIVE JULY 1, 1999]: <b>Sec. 5.5. If:</b>                            |
| 21 | (1) the state department:   |
| 22 | (A) imposes a fine; or  |
| 23 | (B) assesses costs for:   |
| 24 | (i) placing a monitor in the health facility under                        |
| 25 | IC 16-28-7; or  |
| 26 | (ii) requesting the attorney general to petition a court to               |
| 27 | place the health facility in receivership under IC 16-28-8;               |
| 28 | against a health facility under this article; and                         |
| 29 | (2) the health facility is unable for any reason to pay all of the        |
| 30 | fine or costs;  |
| 31 | the state department shall impose the unpaid balance of the fine or       |
| 32 | costs upon the person that holds the license for the health facility.     |
| 33 | SECTION 18. IC 16-28-5-6 IS AMENDED TO READ AS                            |
| 34 | FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. An order for                    |
| 35 | immediate correction under section 4(b)(1) sections 4.1 through 4.9       |
| 36 | of this chapter shall state a specific date by which the correction shall |
| 37 | be made. The date shall be set by the commissioner according to the       |
| 38 | circumstances of the breach but may not exceed five (5) days from the     |
| 39 | time the health facility receives written notification from the           |
| 40 | commissioner.   |
| 41 | SECTION 19. IC 16-28-5-11 IS ADDED TO THE INDIANA                         |

CODE AS A **NEW** SECTION TO READ AS FOLLOWS



| 1  | [EFFECTIVE JULY 1, 1999]: Sec. 11. (a) The state department shall      |
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| 2  | develop a form for reporting the determination of a breach at a        |
| 3  | health facility and any orders imposed for the breach. The state       |
| 4  | department may periodically revise these forms.                        |
| 5  | (b) The state department and the long term care ombudsman              |
| 6  | office established under IC 12-10-13-7 shall develop a uniform         |
| 7  | letter for providing notice to a health facility patient and the legal |
| 8  | representative of a health facility patient of a determination of a    |
| 9  | level 4 or a level 3 breach at the health facility and any orders      |
| .0 | imposed for the breach. The state department and the long term         |
| 1  | care ombudsman office may periodically revise these letters.           |
| .2 | (c) Upon imposing an order for a breach at a health facility, the      |
| .3 | state department shall:  |
| 4  | (1) complete one (1) of the forms developed under subsection           |
| .5 | (a); and   |
| .6 | (2) provide a copy of the completed form to the health facility.       |
| .7 | (d) In addition to the requirement of subsection (c), if the state     |
| .8 | department imposes an order for a level 4 or a level 3 breach at a     |
| 9  | health facility, the state department shall:                           |
| 20 | (1) complete one $(1)$ of the letters developed under subsection       |
| 21 | (b); and   |
| 22 | (2) provide a copy of the completed letter to the health facility.     |
| 23 | SECTION 20. IC 16-28-5-12 IS ADDED TO THE INDIANA                      |
| 24 | CODE AS A <b>NEW</b> SECTION TO READ AS FOLLOWS                        |
| 25 | [EFFECTIVE JULY 1, 1999]: Sec. 12. (a) A health facility that is       |
| 26 | found to have committed a breach of this article or a rule adopted     |
| 27 | under this article shall:  |
| 28 | (1) post on all doors providing entrance to and exit from the          |
| 29 | health facility; and   |
| 80 | (2) send to all newspapers in:   |
| 31 | (A) the county in which the health facility is located; and            |
| 32 | (B) the counties contiguous to the county in which the                 |
| 33 | health facility is located;  |
| 34 | the notice of the breach and the orders imposed by the state           |
| 35 | department issued under section 11(c) of this chapter.                 |
| 86 | (b) In addition to the notice required under subsection (a), a         |
| 37 | health facility that is found to have committed a level 4 or a level   |
| 88 | 3 breach of this article shall send to each patient and the legal      |
| 89 | representative of each patient a copy of the letter of notification    |
| 10 | regarding the nature of the breach and the orders entered by the       |
| 1  | state department issued under section 11(d) of this chapter.           |
| 12 | (c) The health facility shall bear the cost of duplicating and         |



| 1  | sending the notices and letters required under this section.         |
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| 2  | SECTION 21. IC 16-28-5-13 IS ADDED TO THE INDIANA                    |
| 3  | CODE AS A <b>NEW</b> SECTION TO READ AS FOLLOWS                      |
| 4  | [EFFECTIVE JULY 1, 1999]: Sec. 13. The state department may          |
| 5  | adopt rules to implement this chapter.                               |
| 6  | SECTION 22. IC 16-28-12-5 IS ADDED TO THE INDIANA                    |
| 7  | CODE AS A <b>NEW</b> SECTION TO READ AS FOLLOWS                      |
| 8  | [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) The state department shall     |
| 9  | contract with an independent organization to operate the informal    |
| 10 | dispute resolution process required by 42 CFR 488.331.               |
| 11 | (b) The independent organization shall employ or contract with       |
| 12 | an interdisciplinary team consisting of at least a registered nurse, |
| 13 | social worker, and dietician. The state department shall assure that |
| 14 | each member of the interdisciplinary team:                           |
| 15 | (1) is knowledgeable concerning health facility operation; and       |
| 16 | (2) receives training regarding federal survey and                   |
| 17 | certification and state licensure requirements.                      |
| 18 | SECTION 23. IC 16-28-5-4 IS REPEALED [EFFECTIVE JULY 1,              |
| 19 | 1999].   |
| 20 | SECTION 24. [EFFECTIVE UPON PASSAGE] (a) As used in this             |
| 21 | SECTION, "committee" refers to the interim study committee on        |
| 22 | health facilities established by subsection (d).                     |
| 23 | (b) As used in this SECTION, "health facility" has the meaning       |
| 24 | set forth in IC 16-18-2-167.   |
| 25 | (c) As used in this SECTION, "state department" refers to the        |
| 26 | state department of health established by IC 16-19.                  |
| 27 | (d) The interim study committee on health facilities is              |
| 28 | established to study the following:                                  |
| 29 | (1) The establishment of minimum staffing levels and training        |
| 30 | levels for the employees of health facilities. Areas of training     |
| 31 | to be studied must include the special needs of individuals          |
| 32 | with Alzheimer's disease and other related disorders.                |
| 33 | (2) Possible alternatives for changing the method of                 |
| 34 | investigation and resolution of complaints involving health          |
| 35 | facilities by the state department.                                  |
| 36 | (3) Other topics assigned by the legislative council.                |
| 37 | (e) The committee consists of the following members:                 |
| 38 | (1) Two (2) members of the house of representatives                  |
| 39 | appointed by the speaker of the house of representatives. The        |
| 40 | members appointed under this subdivision may not be                  |
| 41 | members of the same political party.                                 |
| 42 | (2) Two (2) members of the senate appointed by the president         |



| 1  | pro tempore of the senate. The members appointed under this          |
|----|--|
| 2  | subdivision may not be members of the same political party.          |
| 3  | (3) Three (3) members at large appointed by the governor.            |
| 4  | The members appointed under this subdivision may not have            |
| 5  | a financial interest in a health facility, or represent the          |
| 6  | interests of health facilities or health facility residents. Not     |
| 7  | more than two (2) members appointed under this subsection            |
| 8  | may be members of the same political party.                          |
| 9  | (4) One (1) member appointed by the governor who is a                |
| 10 | resident of a health facility.                                       |
| 11 | (5) One (1) member appointed by the governor who is                  |
| 12 | affiliated with advocacy groups for residents of health              |
| 13 | facilities.  |
| 14 | (6) Two (2) members appointed by the governor who are                |
| 15 | family members of health facility residents.                         |
| 16 | (7) One (1) member appointed by the governor who is                  |
| 17 | affiliated with operators of health facilities.                      |
| 18 | (8) The commissioner of the state department or the                  |
| 19 | commissioner's designee.   |
| 20 | The governor shall make the appointments required by                 |
| 21 | subdivisions (3) through (7) before June 1, 1999.                    |
| 22 | (f) The chairman of the legislative council shall designate a        |
| 23 | legislative member of the committee to serve as chairman of the      |
| 24 | committee.   |
| 25 | (g) Seven (7) members of the committee constitute a quorum.          |
| 26 | (h) The affirmative votes of at least seven (7) members of the       |
| 27 | committee are required for the committee to take any action,         |
| 28 | including the approval of a final report.                            |
| 29 | (i) Each legislative member and each lay member of the               |
| 30 | committee is entitled to receive the same per diem, mileage, and     |
| 31 | travel allowances paid to individuals serving as legislative and lay |
| 32 | members, respectively, on interim study committees established by    |
| 33 | the legislative council.   |
| 34 | (j) The legislative services agency shall provide the staff support  |
| 35 | necessary for the operation of the committee.                        |
| 36 | (k) The committee shall submit a report to the legislative council   |
| 37 | by November 1, 1999.   |
| 38 | (l) The committee shall operate under the rules and procedures       |
| 39 | of the legislative council.  |
| 40 | (m) This SECTION expires January 1, 2000.                            |

SECTION 25. An emergency is declared for this act.



### COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1812, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1812 as introduced.)

BROWN C, Chair

Committee Vote: yeas 13, nays 0.





### **HOUSE MOTION**

Mr. Speaker: I move that House Bill 1812 be amended to read as follows:

Page 10, after line 27, begin a new paragraph and insert:

"SECTION 24. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "committee" refers to the interim study committee on health facilities established by subsection (d).

- (b) As used in this SECTION, "health facility" has the meaning set forth in IC 16-18-2-167.
- (c) As used in this SECTION, "state department" refers to the state department of health established by IC 16-19.
- (d) The interim study committee on health facilities is established to study the following:
  - (1) The establishment of minimum staffing levels and training levels for the employees of health facilities. Areas of training to be studied must include the special needs of individuals with Alzheimer's disease and other related disorders.
  - (2) Possible alternatives for changing the method of investigation and resolution of complaints involving health facilities by the state department.
  - (3) Other topics assigned by the legislative council.
  - (e) The committee consists of the following members:
    - (1) Two (2) members of the house of representatives appointed by the speaker of the house of representatives. The members appointed under this subdivision may not be members of the same political party.
    - (2) Two (2) members of the senate appointed by the president pro tempore of the senate. The members appointed under this subdivision may not be members of the same political party.
    - (3) Three (3) members at large appointed by the governor. The members appointed under this subdivision may not have a financial interest in a health facility, or represent the interests of health facilities or health facility residents. Not more than two (2) members appointed under this subsection may be members of the same political party.
    - (4) One (1) member appointed by the governor who is a resident of a health facility.
    - (5) One (1) member appointed by the governor who is affiliated with advocacy groups for residents of health facilities.
    - (6) Two (2) members appointed by the governor who are family members of health facility residents.



- (7) One (1) member appointed by the governor who is affiliated with operators of health facilities.
- (8) The commissioner of the state department or the commissioner's designee.

The governor shall make the appointments required by subdivisions (3) through (7) before June 1, 1999.

- (f) The chairman of the legislative council shall designate a legislative member of the committee to serve as chairman of the committee.
  - (g) Seven (7) members of the committee constitute a quorum.
- (h) The affirmative votes of at least seven (7) members of the committee are required for the committee to take any action, including the approval of a final report.
- (i) Each legislative member and each lay member of the committee is entitled to receive the same per diem, mileage, and travel allowances paid to individuals serving as legislative and lay members, respectively, on interim study committees established by the legislative council.
- (j) The legislative services agency shall provide the staff support necessary for the operation of the committee.
- (k) The committee shall submit a report to the legislative council by November 1, 1999.
- (l) The committee shall operate under the rules and procedures of the legislative council.
  - (m) This SECTION expires January 1, 2000. SECTION 25. An emergency is declared for this act.".

(Reference is to HB 1812 as printed February 25, 1999.)

DAY

#### HOUSE MOTION

Mr. Speaker: I move that House Bill 1812 be amended to read as follows:

Page 10, between lines 25 and 26, begin a new paragraph and insert: "SECTION 23. IC 16-28-12-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) The state department shall contract with an independent organization to operate the informal dispute resolution process required by 42 CFR 488.331.

(b) The independent organization shall employ or contract with



an interdisciplinary team consisting of at least a registered nurse, social worker, and dietician. The state department shall assure that each member of the interdisciplinary team:

- (1) is knowledgeable concerning health facility operation; and
- (2) receives training regarding federal survey and certification and state licensure requirements."

Renumber all SECTIONS consecutively.

(Reference is to HB 1812 as printed February 25, 1999.)

**HASLER** 

**HOUSE MOTION** 

Mr. Speaker: I move that House Bill 1812 be amended to read as follows:

Page 1, delete lines 1 through 15.

Page 2, delete lines 1 through 4.

Renumber all SECTIONS consecutively.

(Reference is to HB 1812 as printed February 25, 1999.)

FRIZZELL

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